

DEPARTMENT OF WORKFORCE DEVELOPMENT  
DIVISION OF WORKFORCE SOLUTIONS  
ADMINISTRATOR'S MEMO SERIES

NOTICE 01-08

DATE: 05/14/2001

DISPOSAL DATE:

12/31/2001

RE: WAA DEOBLIGATION AND  
REALLOCATION  
INFORMATION

To: W-2 Agency Directors  
Workforce Development Board Directors

From: Eric Baker /s/  
Administrator

## **PURPOSE**

The purpose of this memo is to provide information related to the Department's decision to deobligate a portion of the unspent Workforce Attachment and Advancement (WAA) funds.

The WAA Program Guide and the WAA contract language specify that DWD has the discretion to deobligate unexpended WAA funds for agencies whose budgets are underspent by 20% or more on a year-to-date basis at the end of the first contract year. DWD delayed this deobligation process from December 2000 to February 2001, due to the delayed start-up of the program. In spite of the extra two months, agencies reported much lower than anticipated expenditures in both Tracks 1 (W-2 agencies) and 2 (WDBs).

## **DEOBLIGATION AND REALLOCATION PROCESS**

After analyzing this situation and discussing local needs with each agency, DWD staff have made the decision to deobligate a portion of the unspent funds. The purpose of this process is to ensure that the WAA funds are expended where needed on a statewide basis. One of the primary concerns in these discussions was to ensure that DWD deobligate only the amount of unspent funds that could be readily utilized by other agencies.

In determining whether to pursue deobligation/reallocation, the Department took the following steps:

- Created projections for each agency's funding through the end of 2001. These projections were based on each agency's actual CY2000 expenditures, added to their projected CY2001 spending (based on their fourth quarter CY2000 spending).

- Requested that each agency projected to spend less than 50% of their allocation provide an update on their spending, including any obligated but not reported funds, any reporting errors, and whether they planned to spend their entire allocation.
- Asked each agency projected to spend 75% or more of their allocation to identify needs for WAA services that would be unmet with their current WAA allocation. If the agency identified unmet needs, they explained how much was needed and for what activities.
- Had regional staff for both tracks review and approve the initial requests for additional funds. The 13 agencies that will receive re-allocations must submit a plan modification for their additional funding, with a modified budget page. Once the regional staff have approved the modifications, we will proceed with the re-obligation.
- Created a formula that allows us to deobligate the amount required to meet the additional needs identified by the agencies. The formula is based on the agencies' contract-to-date spending through February 2001. We will deobligate funds from the 39 agencies that have spent less than 50% of this contract-to-date allocation. The attached spreadsheet includes the deobligation amounts for each agency.

The total deobligated funding will be reallocated to the 13 WDBs/W-2 agencies that indicated a need for additional WAA funding, pending regional staff approval of their plan modifications.

Regional Office Contact:      Area Administrator or Local Program Liaison

Attachment

## WAA 00-01 Contract Deobligations

	WAA Agency	Current Contract Level	Deob. Amount	New Contract Level
<b>W-2 Agency:</b>	Barron	\$69,916	\$8,193	\$61,723
	Brown	224,477	21,311	203,166
	Buffalo	19,809	1,216	18,593
	Calumet	33,065	629	32,436
	Clark	35,451	4,154	31,297
	Crawford	41,846	2,074	39,772
	Dodge	87,413	1,161	86,252
	Douglas	116,311	11,290	105,021
	Eau Claire	139,376	16,333	123,043
	Fond du Lac	121,083	14,004	107,079
	Jefferson	58,781	6,888	51,893
	La Crosse	171,985	4,668	167,317
	Langlade	107,624	2,478	105,146
	Marathon	239,535	8,678	230,857
	Milw - ESI	1,772,695	147,490	1,625,205
	Milw - Maximus	938,236	300,000	638,236
	Milw - OIC	787,362	55,868	731,494
	Milw - UMOS	621,154	50,182	570,972
	Ozaukee	46,321	5,428	40,893
	Pepin	17,423	2,042	15,381
	Pierce	41,018	4,807	36,211
	Polk	46,586	5,459	41,127
	Price	32,270	1,752	30,518
	Sauk	57,986	4,510	53,476
	Shawano	46,321	1,515	44,806
	Sheboygan	79,195	1,547	77,648
	St. Croix	39,163	3,379	35,784
	Taylor	28,558	3,347	25,211
	Trempealeau	39,693	3,059	36,634
	Vernon	37,042	4,341	32,701
	Walworth	210,369	16,984	193,385
	Waushara	37,307	3,608	33,699
	Wood	189,482	2,284	187,198
		<b>\$6,534,853</b>	<b>\$720,679</b>	<b>\$5,814,174</b>

<b>WDB:</b>	Bay Area	\$1,085,680	\$58,079	\$1,027,601
	Milwaukee	2,319,470	162,880	2,156,590
	North Central	43,483	1,832	41,651
	South Central	982,933	38,364	944,569
	West Central	720,697	37,149	683,548
	W-O-W	486,171	13,030	473,141
		<b>\$5,638,434</b>	<b>\$311,334</b>	<b>\$5,327,100</b>
		<b>\$12,173,287</b>	<b>\$1,032,013</b>	<b>\$11,141,274</b>